



## II. Early Career Years

### Survivor or Disability Benefits

Termination of CalSTRS-covered employment for four months or more eliminates any eligibility for survivor or disability benefits. This time limit does not apply to eligibility for service retirement.

### Exceptions to the Four-Month Limit

The four-month limit does not apply if you die during an approved leave of absence of up to 12 months for a reason other than disability or military service. If medical reports show you became incapacitated within four months of your last day of service (and remained continuously incapacitated to the date of death) or if you were receiving a disability allowance under Coverage A, your beneficiary(ies) remains eligible for the lump-sum death payment and survivor benefits.

### Refund of Your Account

Your CalSTRS member contributions to the Defined Benefit Program, plus interest, are refundable upon termination from all employment to perform creditable service in any California public school. However, refund of your contributions terminates your CalSTRS membership, and you will not be eligible for any benefits, including a lifetime monthly retirement benefit, from CalSTRS.

Your Defined Benefit Supplement account will be automatically refunded to you if after termination, you have not performed creditable service for one year and have received a refund of your Defined Benefit account.

### Refund Amount

All contributions made by a member, including tax-deferred member contributions under the “Employer Pick-Up” program, plus credited interest, will be refunded upon receipt of a completed refund application. Partial refunds are not



**Y**ou will be **vested** with a right to a lifetime retirement allowance when you have accumulated five years of creditable service under the CalSTRS Defined Benefit Program. This allowance will be available to you as early as age 55\*. Active members also have important benefits including disability and survivor benefits. See Sections VI and VII.

### If You Terminate Your CalSTRS-Covered Employment

Active members contributing to CalSTRS are eligible for important benefit coverage, including disability and survivor benefits.

Termination of CalSTRS-covered employment and a subsequent refund of your accumulated contributions plus interest cancels any eligibility for monthly benefits from CalSTRS.

\*Or age 50, with at least 30 years of service credit





## SECTION II

### EARLY CAREER YEARS





permitted. Employer and state contributions are not refundable.

#### Is a Refund Right for Me?

Members with fewer than five years of service credit who do not plan to return to teaching and who are not eligible for retirement with any of the California public systems listed on page 22 may want to consider a refund.

However, career teachers with substantial service credit or those who are eligible for retirement with another California public system and are approaching age 55 are urged to learn more about issues that should be considered.

#### Consequences of a Refund

- If you withdraw your contributions and interest before age 59 1/2, the distribution may be subject to income tax and a 10 percent federal excise tax. (See Section VIII, Tax Information and Legal Issues)
  - If you return to membership after taking a refund and later redeposit contributions and interest:
    - your membership date changes to your return date
    - you will be covered under Coverage B for survivor and disability benefits
    - you must accumulate a year of service credit before you are eligible for CalSTRS benefits
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#### More Refund Information

You may learn more about refunds through CalSTRS Teletalk messages.

Call 800-228-5453 and select the Teletalk option, then select message #700 for refund information.



#### Less than One Year of Service Credit

If you have less than one year of service credit, the only benefit payable to a surviving beneficiary if you die is a refund of your accumulated retirement contributions plus interest.

#### More than One Year of Service Credit

If you have more than one year of service credit, upon your death, your designated beneficiary is eligible to a lump-sum death benefit. Throughout your career, it is important to keep a valid and current CalSTRS beneficiary designation form on file at CalSTRS. See page 42 for details.